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Bureau of Business and
Economic Research

Oregon Business Review

VOL. XIII JUNE 1954 No. 6

Medford Hub of Closely Knit Rogue River Communities

By E. C. FERGUSON
Managing Editor, Medford Mail Tribune

Unlike many cities, which depend upon the surrounding smaller towns and suburban areas for their commercial life, Medford, Oregon acts as something of a benevolent and solicitous uncle to its nearby neighbors. The role has proved of benefit not only to the general region but to Medford itself; for the communities on the floor of the Rogue River Valley are now so closely knit as to constitute virtually one municipality.

The people of Medford were among the first in the state to see the advantages in and to work for good roads. As a result of their long-sustained effort, the valley is crisscrossed by fine roads which make possible travel between Medford, Phoenix, Talent, and Ashland, to the south, in fifteen minutes or so, and between Medford, Central Point, Gold Hill, and Rogue River, to the north, in little more than that.

It was Medford leadership which brought about the valley's irrigation systems, which have made possible the huge fruit, vegetable, and field crops and the considerable livestock production. This leadership has recently bent its efforts toward securing additional water through construction of the so-called Talent Division Project, which will furnish thousands of acre-feet more irrigation water, more power, more flood-control benefits, and more recreational facilities.

Back in 1927 Medford built a large steel pipeline to Big Butte Springs, located at the foot of snow-capped Mt. McLoughlin, 31 miles northeast of the city. That first line cost around $1,000,000, and the unfailing supply of cold and absolutely pure water has proved one of the city's greatest assets. As neighboring towns have grown and felt the need for better and more water than could be supplied by wells, they have been permitted to hook on to Medford's system. In order to meet the growing demand, Medford spent nearly $3,000,000 to build a second line to the springs two years ago. Several water districts have been formed to give suburban dwellers access to the additional Medford supply.

With the abandonment of Camp White, eight miles out on the Crater Lake Highway, Medford took over the huge sewage-disposal plant left by the Army; this facility is now available not only to the city but to neighboring towns and contiguous settlements.

Medford established one of the state's first airfields;

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1953 Mineral Production in State of Oregon Reviewed

By F. W. LIBBEY
Director, Oregon State Department of Geology and Mineral Industries

The value of 1953 mineral production in Oregon has not yet been released by the United States Bureau of Mines. The latest official figures are for 1952, when total production was valued at a little more than $27 million as compared with $28.4 million in 1951. The value for 1953 may be somewhat less than in 1952 because of a falling off of demand for construction materials. However, there was an increase in chrome production.

Nonferrous metal production in the state in 1953 was very small, though gold output increased to $288,750 from $192,815 in 1952. Only insignificant amounts of copper and lead were produced, as byproducts of precious metals from ore shipped to the Tacoma smelter. Even so, metal miners have felt more hopeful than for some time, because of the start of construction of the Hanna nickel smelter at Riddle and also because of increased chromite production in southwest Oregon. Investigations of deposits of some nonmetallics, especially diatomite and asbestos, were made during the year by large out-of-state mining companies. On the whole, construction continued at a fair level compared to 1952, which meant a good demand for sand, gravel, stone, and Portland cement.

Gold, Silver, Copper, Lead, Zinc. A major proportion of the gold produced in Oregon in 1953 came from the dredge of the Powder River Dredging Co., which is working gravel near the town of Sumpter, Baker County. Small quantities of placer gold came also from some small hydraulic operations, including about ten in Josephine and Jackson counties which were active when water was available. The principal lode gold producer was the Buffalo Mine in eastern Grant County, which, following its usual procedure, shipped some sorted high grade and ran the flotation mill when sufficient milling grade was accumulated in the stockpile. Gold mining in the state continued its anemic course, with little hope of survival under present conditions of rigid price and high operating costs. Now, as in World War II, the United States is the only gold-mining country in the world that considers gold mining expendable.

Copper and lead output was very small, and came principally from the smelting ore shipped from the Buffalo mine. In the late part of the year a new discovery of

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Oregon Business Review

VOL. XIII EUGENE, OREGON, JUNE 1954 No. 6

Bureau of Business Research, School of Business Administration
University of Oregon
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Published monthly. Entered as second-class matter, August 10, 1948, at the postoffice at Eugene, Oregon, under the act of August 24, 1912. Persons wishing to receive the *Review* regularly should address requests to the editor. There is no subscription charge.

1953 Mineral Production in State of Oregon Reviewed

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copper ore was made at the old Standard Mine on Dixie Creek in Grant County, and a shipment of high-grade copper ore was sent to the Tacoma smelter. Some exploration was started at the Queen of Bronze Mine, Josephine County, including diamond drilling by the U. S. Bureau of Mines. A diamond-drilling campaign was conducted during the year at the Almeda Mine on the Rogue River near Galice. A small amount of development work was done at the Noonday (Thompson) Mine on the west fork of Cow Creek in eastern Coos County, and also at the Hamlin copper prospect on Onion Mountain in Josephine County.

Chromite. Stimulated by the government's incentive price program, chromite mining and prospecting continued active throughout the year, when weather conditions permitted. In southwestern Oregon twelve chromite concentrating mills shipped concentrates to the purchasing depot. These mills are as follows: Ashland Mining Co., Ashland, Jackson County; Bristol-Baker Mill, Curry County; Bowers Mill, Josephine County; Waldo Milling Co. (formerly Chrome Milling Co.), French Flat, Josephine County; Foster Mill, Josephine County; Freeman and Twombly Mill, Curry County; Grants Pass Chrome Mill, Grants Pass, Josephine County; Six-Mile Chrome Mill, Josephine County; Thompson Milling and Manufacturing Co., Ashland, Jackson County; Radcliffe Mill, Galice, Josephine County; Fitzpatrick Mill, Douglas County; McCaleb Mill, Curry County.

Several new chrome deposits were discovered, the most important of which appear to be the Lucky L & R Mine, the Sad Sack Mine, and some deposits at "Chrome Flats," all on Chrome Ridge, Josephine County. Some new prospects were opened in the Illinois River area, but very little is known about their possibilities at present.

Chromite concentrates were shipped to Grants Pass from the town of John Day in central Oregon by Zanetti Brothers of Wallace, Idaho, who had leased the Dry Camp Mine and the mill of the Tri-County Mining Co. Other shipments of concentrates were made by Burt Hayes from the Haggard and New property near Canyon City. U. S. Bureau of Mines metallurgists from Albany, Oregon took a 30-ton sample of chromite ore from the Chambers and Iron King mines. Metallurgical testing work designed to study possibilities of producing commercial ferrochrome from this ore was undertaken.

According to Bureau of Mines statistics, receipts of chrome at the Grants Pass purchasing depot during 1953 totaled 35,000 short tons. Of this amount, Oregon produced 6,170 short tons from 47 shippers. California had 75 shippers. General Services Administration reports in the *Federal Register* that the total amount of chrome received under the program is 53,033 long tons (59,459 short tons) through March 31, 1954.

The purchase program for chrome at Grants Pass expires on June 30, 1957 or when 200,000 long tons have been purchased, whichever comes first. It is easy to see why exploration campaigns are not undertaken to prove tonages of chrome sufficient to warrant a substantial plant. The termination of the program will come before capital expenditure can be returned. Hence the program encourages only surface prospecting and gouging out of ore, and nothing on which a permanent industry may be founded.

Mercury. The Bonanza Mine near Sutherlin, Douglas County, owned by the Bonanza Oil and Mine Corp., produced continuously throughout the year. A Defense Minerals Exploration Administration loan of $50,056 became available in the middle of the year, to be used in exploratory drifting on the 830 and 1050 levels. Some new ore was developed, but not of sufficient grade or in sufficient quantity to warrant continuing operations under present conditions, and the mine closed in January 1954.

Small-scale quicksilver prospecting with some production was conducted at the Maury Mountain Mine in Crook County, on the Roba and Westfall property in Grant County, and at the War Eagle Mine and Ruby claim group in Jackson County.

The quicksilver market was strong and prices highest of the year ($217-$219 per flask) at the end of 1952. But prices declined steadily throughout 1953 and reached $183-$185 in October. At the end of the year the quoted price was $187-$189. Early in 1954 prices began to strengthen because of shortage of spot metal. On May 6 the quotation was $235-$238. High prices may stimulate domestic production, but experienced operators will be wary. Imports during 1953 amounted to 85,780 flasks, the greatest on record except for 1949; domestic production totaled 14,330 flasks and consumption was 52,400 flasks.

Nickel. Construction of the nickel smelting plant under contract by the Bechtel Corp. for the Hanna Nickel Smelting Co. started early in 1953 and progressed satisfactorily throughout the year. It is estimated that the furnaces may be started in the summer of 1954. Logging and clearing over the ore body on Nickel Mountain has been done and construction of the aerial tramway is nearly complete (May 1954). About 400 men are employed. This project, which involves expenditure of about $35 million, is of outstanding importance to the state and nation. It will be the first commercial production of nickel from domestic ore in the United States.

The U. S. Bureau of Mines has been making smelting tests on low-grade nickel laterite from the Red Flat deposit in Curry County. This experimental work has been done along the lines of the process expected to be used by the Hanna Co. at Riddle.

Manganese. Seven car lots of manganese oxide ore were shipped to the Geneva Steel Co., Utah from prospects in Pleasant Valley south of Baker. Mining and ship-

ping were done by the Ketell Investment Corp., Portland.

The U. S. Bureau of Mines conducted a study of manganese deposits in southern Oregon and did some bulldozer trenching on the Neathamer deposit in the Lake Creek district east of Medford, Jackson County. The bureau also did some exploratory diamond drilling on a rhodonite prospect on Upper Evans Creek in Jackson County. Some exploration work is said to have been done at the Long Ridge manganese deposit in southern Curry County by Oliver and Earl Boyd and M. E. Porter. It is reported that about 30 tons of manganese oxide was mined but not shipped.

Iron. A small amount of limonite from the Scappoose district, Columbia County, was mined by the Orr Engineering and Chemical Co. and processed in a plant at Scappoose for use in desulphurizing manufactured gas at the Portland Gas and Coke Co. plant in Portland. The Orr plant also produced mineral stock feed and mineral pigment.

Sand, Gravel, Stone. Construction remained at a fairly steady level throughout 1952 and 1953, although there was a leveling off from the high rate in 1951, when value of sand, gravel, and stone was $19,948,000. Value in 1952 was about $17,450,000. By far the largest proportion of cement aggregate was produced in the Willamette Valley, where about 40 sand and gravel companies continued to dig river gravels.

Limestone. Because of construction activity, Portland cement and hence limestone were produced at near capacity. In southern Oregon the Ideal Portland Cement Co. was active throughout the year. This company quarries limestone at the Marble Mountain quarry in Josephine County and produces cement from this stone at the plant at Gold Hill in Jackson County. A newspaper article reported a statement by a company official that "Although the smallest of Ideal's cement operations, the Gold Hill plant has had $200,000 worth of modernization and its Marble Mountain quarry is one of the best sources of lime rock in the United States . . . The Gold Hill plant has an annual payroll of more than half a million dollars . . . and another half million goes for plant materials."

In Baker County the Oregon Portland Cement Co. initiated a modernization and expansion program at its quarry and plant at Lime, and the Morrison-Knudsen Co. started large-scale exploration of limestone near Durkee. The aim of Morrison-Knudsen is to prove sufficient reserves so that a large-scale program for supplying stone to sugar mills and paper mills and for metallurgical and agricultural purposes may be set up. Anthony Brandenthaler has announced plans for a new burned-lime plant at Baker, to be supplied from the property of the Chemical Lime Co. owned by Brandenthaler and Lilley on Marble Creek west of Baker.

Pacific Carbide and Alloys Co. continued quarrying high-grade limestone at their deposit near Enterprise in Wallowa County for use in making calcium carbide in Portland. A change in furnace design at the Portland plant, made late in the year, will result in increased production of calcium carbide. Undersize material was sold for agricultural use.

Agricultural limestone spread on Oregon farms in 1953 under the Production and Marketing Administration program was somewhat less than the 46,744 tons spread in 1952. More than half of the lime originated in the state of Washington. Bad weather, which prevented spreading during the liming season, was largely responsible for the decline. Oregon agstone quarries are located near Lime, Grants Pass, Roseburg, and Dallas.

Perlite. The perlite quarry and plant of Dant and Russell, Dantore Division, at Dant on the Deschutes River in Wasco County, optioned by Kaiser Gypsum in 1952, was closed down in 1953. Late reports were that the equipment was being sold.

Diatomite. The operation at Lower Bridge near Terrebonne on the Deschutes River by the Great Lakes Carbon Corp. was continued at capacity throughout the year. Reportedly the company is seeking new reserves in central Oregon. Strong interest in Oregon diatomite deposits has been shown by other large mining companies, which have been investigating occurrences in central and eastern Oregon. A new corporation, Wunder Earth, Inc. has leased diatomite deposits in the Harper area of Malheur County.

Silica. The only producer of silica in Oregon, the Bristol Silica Co., Rogue River, continued to ship crushed quartz for metallurgical use, chicken grit, etc. A specialty, catalytic silica for the petrochemical industry, was marketed during the year. An overall increased demand is reported by F. I. Bristol, owner of the company. It is also reported that, when operations of the nickel smelter at Riddle begin, demand for high-grade quartz will be stepped up, since the smelter requires ferrosilicon in the smelting process.

Lightweight Aggregates. Two producers at Bend, Cascade Pumice Co. and Central Oregon Pumice Co., were active throughout the year. Harney Concrete Tile Co., operated by Don Robbins near Burns, produced cinders and pumice. A considerable quantity of pumice was sold for road metal to logging companies.

Volcanic cinders found increased use in 1953, particularly for aggregate used with asphaltic paving. Leroy Grote produced cinders from Tethrow Butte near Redmond and L. A. Williamson operated a quarry near Tumalo. William E. Miller also produced cinders from the Bend area.

Expanded shale continued to be produced by Northwest Aggregates and Smithwick Concrete Products Co. in the Portland area.

Clay. Brick plants were busy throughout the year as demand for building brick continued good. Most of the brick clay was produced in northern Willamette Valley, although the plant at Klamath Falls continued active as in previous years.

Asbestos. The Canadian Johns-Manville Co. finished prospecting for chrysotile asbestos in Grant County and shifted activities to Josephine County, where several prospects were examined. Three diamond-drill holes were put down on a prospect on Josephine Creek owned by George C. Foster. Representatives of other asbestos companies made examinations in southern Oregon.

Only 15 per cent of the world's forests are being managed as a renewable, continuous producing resource.

ORDI Plays Vital Part in Growth of Retailing*

By ROBERT E. DODGE
Assistant Professor of Business Administration, University of Oregon

Oregon retailing, like a parade, is in a sparkling mood today. The music is the sound of dollars tinkling in the cash registers. The color is in the flashing lights and sparkling counters of our stores. The breathtaking floats are represented by our windows, with their fabulous assortments of production's genius. The excitement of the crowd is here, as our rapidly expanding Oregon population eagerly grasps for new products and services.

The whirlpool of activity draws us so strongly that we have to wrench ourselves free in order to observe our own retailing institutions objectively.

Let's take a critical look at Oregon retailing. Primarily, of course, our first concern is improvement within our own businesses. Secondarily, from a long-range point of view we are also interested in the advancement of Oregon retailing as an institution. Third, we are are interested in all concomitant activities which contribute to the future development of Oregon.

What has been the significance of the Oregon Retail Distributors' Institute in the development of Oregon retailing?

For a moment, to obtain proper perspective, let's go back to May 3, 1937, when Dr. N. H. Comish saw another of his inspirations come to fruition with the birth of the annual conference of the Oregon Retail Distributors' Institute. Dr. Comish and Dean Victor P. Morris felt that the ORDI could provide a channel through which practical business problems could be carried to the classroom. Oregon merchants' experiences have indeed provided effective illustrations and highly important teaching materials for our merchandising class work. In turn, Oregon merchants have become acquainted with our School of Business Administration and the facilities and services the school provides.

Oregon merchants, it was felt, needed a "sounding board," a session where they could become acquainted with each other, exchange views, approaches, and solutions to problems; meet and exchange ideas with Oregon's leading retailers; and tap the thinking and resources of nationally recognized speakers in the field of business.

This was the core around which the program of the ORDI has been built since its inception in 1937. At that first session many of these ideas were presented to the membership by Harold Wendel, the first president, who has taken an active interest from the start. A surprisingly familiar note was sounded in the problems which were discussed at that first meeting. Many of the topics discussed are still vital ones today.

"Loss Leaders and Free Allowances" was discussed by Kieth Fennell. Another topic was, "Why People Leave Their Home Towns to Trade and What to Do About It," and still another, "Discounts." Dr. Comish spoke on "Weaknesses and Strength in Selecting, Training and Promoting Oregon Retail Employees," and Dean James H. Gilbert spoke on the subject of "Retail Taxation." "Trends in Retailing" was discussed by a former Meier and Frank executive.

Note that these are problems common today in every type of retailing, large and small, chain and independent, grocer and music store.

Three weeks ago I visited retailers in eastern Oregon to tell them about our meeting, get acquainted, and offer them any help which we could give them. One retailer said, "I'm in the hardware business. The information you have doesn't really apply to me!" It made me think for a moment. Aren't most of our problems common ones to all types of business? Aren't we all faced with problems in relations with our employees? Don't we all have common problems in store hours, delivery, location, rent, physical plants, accounting, promoting, and selling? It seems to me that the striking thing is not the differences but the similarities of the problems facing all retailers.

Another service of the ORDI has been to provide a vehicle by which Oregon research data has been made available to members. Dr. Comish has carried out extensive research activity in Oregon which he has often summarized for the sessions.

Expert information and advise in nation-wide problems have been made available by bringing outstanding national speakers to many of our annual conferences.

Last year, Dean Charles M. Edwards of the New York University School of Retailing, an outstanding authority in the field of sales promotion, presented two addresses. The year before E. M. Christenson, of the Personnel Department of J. C. Penney Co., came from New York to give us the Penney philosophy for retailing. This year we have heard Dr. Claude Robinson, one of the foremost figures in the field of marketing research in the country today.

Most of these activities of the ORDI have been offered for the improvement of our individual business enterprises. What has been our contribution in building retailing as a great institution in the field of business?

Actually we have an enviable reputation, even in those areas which supposedly can't see beyond the Hudson River. A year ago I was visiting with one of the executives of a nationally known research organization, who said, "Confidentially, we think you are doing a much better job out there on the coast than we are here in the East, but *please* don't quote me."

On another occasion I was talking with the vice-president of one of our large retailing chains, who asked, "Bob, how can we do a better job in selling retailing as a career?" I think his thought echoes the opinion of many of our retailing executives, who realize that we have been so preoccupied with internal store problems that too little attention has been given to attracting the right type of people into our business area. The intimate connection between the ORDI and the University of Oregon provides us with an especially significant channel for presenting facts about retailing to students. Although we cannot guarantee that they will enter retailing, at least the students are presented with sufficient information to help them make a wise choice in their vocation. An important contribution of the ORDI has been in making available teaching materials, data, and case problems. Copies of the complete proceedings of our meetings have been bound and placed in the University Library for the use of students in their class work.

* Address given May 10, 1954, at fifteenth annual conference of the Oregon Retail Distributors' Institute.

Our third area of interest is in all concomitant activities which contribute to the future development of Oregon.

Our members participate in all those many activities which build our communities, which taken together make up our state. Most of us work in the Red Cross, the Boy Scouts, the Chamber of Commerce, and are faithful members of service clubs. We know that this type of activity, along with raised standards of individual merchandising methods, creates an appealing climate for the drawing of wealth, industry, and people to our state.

The *Oregon Business Review* of March 1953 contained a study of population prospects for Oregon. A comparison was also made between Oregon and the United States. For the ten-year period from 1950 to 1960 the most conservative estimate indicates a 19.4 per cent increase in Oregon, compared with a national projection of 7 per cent. The most optimistic projection was for a 33 per cent increase compared with 19.3 for the entire country.

Oregon retailers, realizing the impact of this increased demand, are expanding rapidly to provide retailing outlets to serve our rapidly growing communities. Several of our large department stores are already in the process of building branches. There is the new Bon Marche in Eugene, Lipman's and Meier and Frank in Salem. As our state grows the ORDI has an opportunity to play its part in helping to stimulate interest and activity.

What can the ORDI do in the future? Part of that question you will have to answer for me. What part do you want the ORDI to play?

By helping the retailer to recognize his problems and by showing him what sources of help are available, we can assist him in creating a firmer retailing structure.

The ORDI can act as a center for information. We can help locate statistical information and data of local, regional, or national nature. Our University Library has a wide selection of all types of source material. The Bureau of Business Research, under Dr. Wesley C. Ballaine of the School of Business Administration, is prepared to work in close cooperation with us in conducting Oregon surveys or gathering local data. We can recommend pro-

PORTLAND FOOD PRICES—JUNE 1954

The University of Oregon Bureau of Business Research, working with data collected by the United States Bureau of Labor Statistics, reports that, of 74 foods priced in Portland in mid-June 1954, 37 were higher than in mid-May, 22 were lower, and 15 were unchanged. Dairy products were down slightly and sugar and sweets were up. Potatoes increased nearly 33 cents; halibut declined 8 cents, as did tomatoes. Bacon decreased 4 cents in price, while other meats were generally up.

Commodity and Unit	In Cents: Average June 15, 1954	Change from Last Month	June Range of Prices: High	Low
CEREALS & BAKERY PRODUCTS:				
Cereals:				
Flour, wheat (5 lbs.)	54.4	.1	62	52
Corn flakes (12 oz.)	22.0	....	25	21
Corn meal (lb.)	12.5	.2	14	12
Rice (lb.)	23.3	— .1	29	20
Rolled oats (20 oz.)	19.7	....	22	19
Biscuit mix (20 oz.)	26.2	— .1	29	21
Bakery products:				
Bread, white, per loaf (lb.)	18.2	....	18	17
Vanilla cookies (7 oz.)	25.1	.2	28	20
Soda crackers (lb.)	27.6	....	29	27
MEATS, POULTRY & FISH:				
Meats:				
Beef:				
Round steak (lb.)	91.9	2.0	98	89
Rib roast (lb.)	78.5	....	85	69
Chuck roast (lb.)	58.6	5.0	79	55
Frankfurters (lb.)	52.0	— .2	59	45
Hamburger (lb.)	40.5	2.3	59	33
Veal:				
Cutlets (lb.)	107.5	2.0	129	93
Pork:				
Shops (lb.)	91.7	1.0	105	85
Bacon, sliced (lb.)	86.3	—3.9	99	83
Ham, whole (lb.)	73.8	....	79	69
Lunch, meat, canned (12 oz.)	50.5	.1	59	48
Lamb:				
Leg (lb.)	79.2	....	89	69
Poultry:				
Fryers, N.Y. dr. (lb.)	50.4	— .8	56	46
Fish:				
Salmon, canned (lb.)	50.4	....	59	45
Salmon, fresh (lb.)	79.4	2.4	90	69
Halibut, fresh (lb.)	55.3	—8.7	69	49
Tuna, canned (7 oz.)	40.4	.2	45	37
DAIRY PRODUCTS:				
Butter (lb.)	69.6	....	75	67
Cheese, Amer. proc. (lb.)	51.8	— .5	60	49
Milk:				
Fresh, delivered (qt.)	22.0	....	22	22
Fresh, grocery (qt.)	21.1	— .6	22	21
Evaporated (14½ oz. can)	13.2	— .4	16	10
Ice cream (pt.)	27.0	— .2	33	23
EGGS, fresh (doz.)	58.7	1.5	61	55
FRUITS & VEGETABLES:				
Frozen:				
Strawberries, sl. (12 oz.)	32.8	—1.8	42	25
Orange juice, conc. (6 oz.)	19.2	1.3	25	14
Peas (12 oz.)	19.0	— .6	25	14
Green beans (10 oz.)	22.4	— .4	27	20

Commodity and Unit	In Cents: Average June 15, 1954	Change from Last Month	June Range of Prices: High	Low
FRUITS & VEGETABLES (cont.):				
Fresh:				
Apples (lb.)	20.0	2.8	23	14
Bananas (lb.)	20.0	.7	22	16
Oranges (size 200, doz.)	65.7	.1	87	46
Beans, green (lb.)	20.6	....	29	19
Cabbage (lb.)	8.8	.3	13	7
Carrots (bunch)	12.9	1.0	15	10
Lettuce (head)	15.9	— .7	20	12
Onions, yellow (lb.)	8.2	1.3	12	6
Potatoes, white (15 lb.)	95.0	32.6	125	60
Sweet potatoes (lb.)	*	....	....	....
Tomatoes (lb.)	30.3	—7.7	52	14
Lemons (lb.)	18.8	— .1	27	16
Celery (lb.)	13.7	.2	20	11
Strawberries (12 oz.)	30.8	.1	39	18
Watermelon (lb.)	5.7	....	10	4
Canned:				
Peaches (no. 2½ can)	29.4	—1.1	33	27
Pineapple (no. 2½ can)	36.7	.2	41	33
Orange juice (46 oz.)	37.0	2.3	49	31
Fruit cocktail (no. 2½ can)	40.6	.5	48	39
Beans with pork (16 oz.)	13.7	....	15	12
Corn, cream style (no. 303 can)	17.5	— .2	21	16
Tomatoes (no. 2½ can)	22.5	.1	29	19
Peas (no. 303 can)	20.1	.2	23	17
Vegetable soup (15 oz.)	14.0	— .2	16	12
Baby foods (4½-4⅝ oz.)	8.7	....	10	8
Dried:				
Prunes (lb.)	29.0	....	35	26
Navy beans (lb.)	20.4	.6	25	19
BEVERAGES:				
Coffee (lb.)	107.5	1.4	125	94
Tea (¼ lb. pkg.)	35.5	— .1	41	33
Cola drink (6 btles.)	34.7	.3	36	33
FATS & OILS:				
Lard (lb.)	30.0	1.1	39	25
Shortening, hydrog. (lb.)	34.8	.6	39	32
Salad dressing (pt.)	37.2	— .2	45	35
Margarine, colored (lb.)	30.3	.8	35	29
Peanut butter (lb.)	52.6	.5	57	49
SUGAR & SWEETS:				
Sugar (5 lb.)	51.7	2.0	62	49
Corn syrup (24 oz.)	25.1	.2	28	24
Grape jelly (12 oz. jar)	27.1	.6	33	25
Chocolate bar (1 oz.)	4.4	....	5	4
MISCELLANEOUS:				
Gherkins (7½ oz.)	*	....	....	....
Catsup (14 oz.)	22.3	— .4	32	17
Gelatin dessert	9.0	....	10	7

* Insufficient number of quotations to obtain a reliable average price.

fessional assistance in conducting clinics, sales training programs, and workshops. We can assist your chambers of commerce and other organizations that may want speakers from the retailing field.

What can we do to build retailing as an institution? As we improve as individual businessmen, the institution of business takes a new step forward. The close relationship between the ORDI and the training of young businessmen in the University is a giant step toward insuring the continued upward trend of quality in Oregon merchandising.

By concentrating on improving methods within our stores and by selling retailing as an institution to students as well as the people of Oregon, we contribute to the future development of the state. We can go even further in developing business in Oregon by being ever watchful, helpful in stimulating interest in Oregon products and industry, however unrelated they may happen to be to each merchants' own field. More business is our business.

We can continue to bring men of national prominence to our conferences. These men leave us ideas and at the same time take back to their own areas a clearer idea of what Oregon business offers: like the Yankee peddler of our early American history, they spread the word of the opportunities in the West.

Actually, our retailing parade has just nicely started. The first band has gone up Broadway; we are decorating and manning the floats and also giving advice and encouragement to all the numerous bands and floats yet to follow.

Medford Hub of Closely Knit Rogue River Communities

(Continued from page 1)

this installation, now one of the finest municipal airports on the Pacific Coast, is used by three air lines and gives the entire region excellent passenger, mail, and freight service.

Medford's industrial plants—the numerous large packing houses where the Rogue Valley's multimillion dollar pear crop is processed, the sawmills and other woodworking plants, the factory where the world-famous Tucker Sno-Cat is turned out, the creameries where the milk produced on scores of dairy farms is handled—all furnish jobs for thousands of workers, many of whom live outside the city.

A considerable number of store clerks, office workers, and others employed in the city also come from neighboring towns or suburban districts. While Medford is thus contributing much toward making life attractive in the fringe areas, it benefits in return by its position as a center for trading, for medical and other professional services, for recreation, for amusements, and for social activities. The city has become an important medical center in recent years, with the settling here of a number of specialists and the expansion of hospital and laboratory facilities.

Conversion of the huge Army hospital at Camp White into a Veterans Administration Domiciliary, now housing nearly 1,000 ailing or handicapped ex-service men, has also added to the city's economy.

While all of these factors have had a part in Medford's growth and prosperity, especially since World War II, the city has continued to enjoy its favorable position as the gateway to a vast recreational land, visited each season by thousands. Within a few hours drive are such tourist attractions as famous Crater Lake, Rogue River with its steelhead and salmon fishing, Diamond Lake, Lake o' Woods, Fish Lake, and many other scenic spots. Close to the city are Ashland's beautiful Lithia Park and the annual Shakespearean Festival. The old mining town, Jacksonville, with its quaint buildings and fine museum, is but five miles away and is visited by people from many parts of the world.

One of the principal considerations which has attracted and held many in the Rogue River Valley is the fine climate, the mild winters, and long and enjoyable summers. Medford—the Medford region—is a good place in which to live, as more and more people are finding out.

Notes

ON THE SCHOOL OF BUSINESS ADMINISTRATION

- **Professor C. E. Johnson** attended a symposium sponsored by the Dupont Corp. at Wilmington, Delaware on June 14 to 19. Professors from universities and colleges in all parts of the country are invited to these annual meetings in order to become acquainted with all aspects of Dupont operations.
- **Dean Victor P. Morris** addressed the American Institute of Real Estate Appraisers at a meeting in Spokane, May 21-22.
- **Professor John Soha** has been awarded a fellowship by the Foundation for Economic Education, under which he will spend several weeks this summer studying and observing operations in the office of the comptroller of the Sun Oil Co. in Philadelphia, Pa.
- **Professor Wesley C. Ballaine** was on the program of a community industrial workshop sponsored by the United States Chamber of Commerce and held at Santa Clara University June 13-15.
- **Simeon E. Leland,** dean of the College of Liberal Arts of Northwestern University, and one of the country's best-known economists, was guest of Department of Economics for several days in May.
- Promotions effective with the 1954-55 academic year are: **Catherine Jones** from instructor to assistant professor, **Jessie May Smith** from assistant professor to associate professor, **William J. Robert** from assistant professor to associate professor.
- A short course in advanced accounting problems is being offered August 2 to 12. **Professor Charles E. Johnson** will be the instructor. The purpose of the course is to provide a concentrated review for persons in accounting offices throughout the state who are preparing to take their C. P. A. examinations.
- A workshop on family financial security education is being offered during the summer session. **Professor Leevern R. Johnson** represents the School of Business Administration in this joint project with the School of Education. The workshop is for secondary teachers, who are provided scholarships from funds supplied by the Institute of Life Insurance.
- An Institute for Educational Secretaries is to be held from July 26 through July 30. **Professor Jessie May Smith** is in charge of general arrangements.
- **Professor William J. Robert** (business law) attended the Pacific Northwest regional meeting of the American Bar Association and the Oregon State Bar Committee on Uniform State Laws, May 23 to 26, in Portland.

New Record in Construction Spending Predicted

New construction expenditures in the United States are expected to reach a new record high of $36 billion in 1954, 2 per cent above the 1953 record level of $35.3 billion, according to revised outlook estimates prepared jointly by the Building Materials and Construction Division of the U. S. Department of Commerce and the U. S. Department of Labor's Bureau of Labor Statistics.

The revised estimate is $2 billion higher than the $34 billion level projected for 1954 by these agencies last November. Present expectations of a 2 per cent increase in 1954 construction activity over 1953 contrasts with a 2 per cent decline anticipated by the Commerce and Labor departments last November.

The more optimistic construction outlook at the present time results largely from a higher level of new home building so far this year than was expected last November. Most other types of civilian construction are also showing greater activity than previously anticipated.

Current indications are that 1,030,000 new private nonfarm dwelling units will be started this year; it was anticipated earlier that there would be less than a million starts during 1954. On a seasonally adjusted basis, private starts have been at an annual rate of well above 1,100,000 units for the first third of the year. The projected $10.7 billion of exenditures on privately financed new dwelling unit construction represents a total slightly above that for 1953. Eased mortgage opportunities have been widely believed to be one of the mainsprings of the 1954 strength in housing.

Outlays for new commercial structures of all types are expected to go over the $2 billion mark for the first time in 1954—reflecting the recent surge in office-building construction and the continued increasing emphasis on shopping centers and stores in suburban areas. The largest percentage gain over 1953 is projected for social and recreational buildings, which will show a 1954 increase of 32 per cent.

New all-time annual highs are also in prospect in 1954 for religious building ($525 million) and for private educational building ($520 million). Utility construction will show generally only a small advance over the record 1953 activity; the estimated total is $4.5 billion, with all utility types except railroad and local transit construction sharing in the gain.

Reflecting diverse trends in different categories of building, construction of new private manufacturing plants has been declining slowly since early 1954, with the rounding out of basic plant-expansion goals and with most of the facilities being built under the tax-amortization program approaching completion. However, 1954 expenditures for private industrial construction are not expected to decline much below the $2 billion level—around 13 per cent less than in 1953.

Outlays for new public construction will also set a new record in 1954, despite a quarter-billion dollar decline in military construction, and smaller declines in conservation and development work, public housing, and hospital building. A continued expansion in the construction of new state and locally owned projects will more than offset the reduced volume of Federal spending.

Consumer Credit Total Drops In 1954 First Quarter

In the first quarter of 1954, for the first time in many years, consumers reduced their aggregate liability on seasonally adjusted short- and intermediate-term debt outstanding. The only previous occasions, aside from seasonal movements, that debt outstanding has contracted appreciably since the outbreak of World War II were attributable to the imposition of credit controls, first in 1942 and then in 1950.

In the January-March quarter, consumer credit outstanding contracted somewhat more than is usual for that season of the year. Most of the contraction occurred in installment credit, but noninstallment credit also declined.

The credit shrinkage in January, seasonally adjusted, amounted to about one-half of 1 per cent for the month and continued at the same rate in February. In March, the rate of contraction increased to 1 per cent, notwithstanding minor increases in personal installment and single-payment loans and service credit.

The volume of consumer credit outstanding reached its maximum at the 1953 year end, when it aggregated $28.9 billion, the equivalent of 11.7 per cent of the year's disposable personal income. Although this percentage compares to 11 per cent in both 1940 and 1952 and was also above all other previous periods, it should be noted that there has been an apparent long-term growth trend in the use of consumer credit, which has tended to raise slightly the use of credit relative to disposable income. The growth trend, in turn, probably stems at least in part from the larger proportion of durable goods purchases in total consumer purchases for recent years as compared to prewar—13 per cent in 1953 as compared, for example, with 12 per cent in both 1929 and 1941.

The expansion of consumer credit has been accompanied by an exceptionally large increase in personal holdings of liquid assets since the prewar period. The growth of liquid assets (i.e., currency and bank deposits, savings and loan association shares, and U. S. government securities) since the prewar period has been even larger, in amount and rate of growth, than the rise in consumer credit outstanding. Thus the ratio of outstanding consumer debt to personal holdings of liquid assets at year end in 1953 was 12.1 per cent, as compared to 13.4 per cent in 1940. The ratio of consumer outstanding debt to disposable personal income combined with liquid asset holdings was approximately the same on December 31 last as at the 1940 year end.

Increased supplies of consumer credit made available by financial institutions and retail outlets, as well as the growing disposition of consumers to supplement their disposable income and liquid assets by making use of such short and intermediate term credit, have contributed to the rapid postwar growth of economic activity.

In no postwar year so far have consumers failed to expand their use of credit. If and when they do so, the net contraction will tend to absorb disposable personal income and, unless otherwise offset, to restrict their buying. At the end of March, total consumer credit outstanding was approximately $1.7 billion below the amount outstanding at the year end, but after allowance for seasonal drop, it was off only about one-half billion dollars.

CURRENT BUSINESS TRENDS IN OREGON

Employment. The Oregon State Unemployment Compensation Commission reports that nonagricultural employment continued its spring increase with a rise of 1.5 per cent (6,900) between mid-April and mid-May 1954. This was slightly below the 1.7 per cent (8,100) increase during the same period a year ago. May 1954 employment was 3.1 per cent (14,700) below that of May 1953. Comparative data follow:

	May 1954	*Apr. 1954*	*May 1953*
Lumber & wood products	80,200	75,700	85,900
Food & kindred products	14,100	13,400	13,200
Other manufacturing	41,000	41,500	43,900
Total manufacturing	135,300	130,600	145,000
Contract construction	21,000	21,800	24,300
Retail trade	77,800	78,800	81,700
Government	72,500	72,500	69,600
Other nonmanufacturing	141,600	143,600	148,300
Total nonmanufacturing employment	318,900	316,700	323,900
Total employment	454,200	447,300	468,900

Department-Store Sales. Retail sales, as indicated by department-store sales, continue weak. However, Portland sales have recently appeared better when compared to other Pacific Coast cities and the United States. Changes in dollar sales volume compared with the same period last year are shown below:

	Week Ending June 12, 1954	*4 Weeks Ending June 12, 1954*	*Calendar Year to June 12, 1954*
Portland	−4	−4	−8
Los Angeles	+1	−6	−4
San Francisco-Oakland	−8	+9	−6
Seattle	+1	−1	−4
United States	−1	−5	−3

Lumber. The rate of production of the Douglas-fir lumber industry of the Pacific Northwest was lower in May 1954 than in either the preceding month or the same month a year ago. Figures for lumber and wood-products employment shown above indicate that the decline from April 1954 production may not be true of Oregon. Statistical data for the industry as prepared by the West Coast Lumbermen's Association follow (all figures in thousands of feet, board measure):

	May 1954	*Apr. 1954*	*May 1953*
Average weekly production	206,289	216,150	216,124
Average weekly orders	226,457	211,654	193,820
Unfilled orders, end of month	874,470	763,080	891,005
Lumber inventory, end of month	984,145	957,459	1,063,267

During the week ending June 5, Douglas-fir production was 9 per cent below the same week last year, whereas Western-pine production was 4 per cent less.

Multnomah County Real-Estate Transactions. During May 1954 there were 1,064 real-estate transactions in Multnomah County, amounting to $8,304,617. Of these, 729 involved residences, the sales price of which was $6,579,208; 291 were vacant properties, $583,923; and 44 were business properties, $1,141,486. Additional figures are:

	May 1954	*Apr. 1954*	*May 1953*
Number of sales	1,064	1,032	1,342
Value of sales	$ 8,304,617	$8,953,139	$10,316,524
Number of mortgages	1,088	1,101	1,151
Amount loaned	$10,375,741	$9,499,355	$9,193,097
Number of sheriff's deeds	.....	1	4
Amount of sheriff's deeds	.....	$1,750	$24,231
Average residential sales price	$9,025	$8,991	$9,379

BANK DEBITS

Bank debits represent the dollar value of the checks drawn against individual deposits. Payment for approximately 90 per cent of all goods, property, and services is by check. Bank debits are regarded as indicators of the general trend of business, though their value for this purpose may be impaired by substantial changes in the level of prices. The Bureau of Business Research collects bank debits from 124 banks and branches monthly. On occasion, the totals for the same month in different issues of the *Oregon Business Review* are not directly comparable because of necessary adjustments in basic data.

Marketing Districts	*Number of Banks Reporting*	*Debits May 1954*	*Debits Apr. 1954*	*Debits May 1953*	*May 1954 compared with Apr. 1954*	*May 1954 compared with May 1953*
Oregon	119	$1,225,077,025	$1,279,178,663	$1,222,370,006	− 4.2	+ .2
Portland (Portland, Hillsboro, Oregon City, etc.)	32	779,938,797	823,525,860	751,864,141	− 5.3	+ 3.7
Lower Willamette Valley (Salem, McMinnville, etc.)	15	90,674,667	99,278,809	107,259,382	− 8.7	−15.5
Upper Willamette Valley (Albany, Corvallis, Eugene)	18	119,234,771	117,496,343	117,716,751	+ 1.5	+ 1.3
North Oregon Coast (Astoria, Tillamook, etc.)	5	22,228,896	22,345,106	24,634,075	− .5	− 9.8
Douglas, Coos, Curry counties	9	42,943,102	41,904,255	43,172,852	+ 2.5	− .5
Southern Oregon (Ashland, Medford, Grants Pass)	6	49,291,411	50,765,660	52,170,011	− 2.9	− 5.5
Upper Columbia River (The Dalles, Hood River, etc.)	6	20,581,787	20,258,110	20,910,429	+ 1.6	− 1.7
Pendleton area	6	20,401,472	22,509,662	21,471,106	− 9.4	− 5.0
Central Oregon (Bend, Prineville, Redmond)	5	20,386,133	20,245,300	22,535,885	+ .7	− 9.6
Klamath Falls, Lakeview area	5	26,182,633	25,079,125	26,342,566	+ 4.4	− .6
Baker, La Grande area	7	19,211,363	20,127,733	20,704,206	− 4.5	− 7.2
Burns, Ontario, Nyssa	5	13,995,963	15,642,070	13,538,599	−10.5	+ 3.4

BUILDING PERMITS

Building permits give an indication of building operations planned rather than actual construction under way. Care must be taken, in interpreting these data, to allow for the lag that may elapse between the issuance of the permit and the beginning of actual construction. The data have been collected by the Bureau of Business Research.

	New Residential May 1954	*New Nonresidential May 1954*	*Additions, Alterations & Repairs May 1954*	*Totals May 1954*	*Totals Apr. 1954*	*Totals May 1953*
Albany	$ 65,500	$ 15,300	$ 9,000	$ 89,800	$ 69,400	$ 34,250
Astoria	12,154	27,360	30,161	69,675	48,639	27,633
Bend	25,150	8,800	20,515	54,765	32,378	31,016
Coos Bay	34,000	297,180	10,350	341,530	32,250	83,420
Corvallis	84,000	16,300	19,450	119,750	106,918	88,770
Eugene	96,500	103,050	93,555	293,105	469,723	319,110
Forest Grove	51,000	.....	3,525	54,525	71,780	92,300
Grants Pass	62,190	42,580	27,420	132,190	88,260	172,610
La Grande	11,500	34,050	6,663	52,213	52,109	50,599
Medford	95,500	57,950	61,370	214,820	202,848	146,314
Milton-Freewater	3,000	.....	5,590	8,590	22,590	167,250
North Bend	36,250	8,585	13,085	57,920	215,828	54,100
Oregon City	7,750	400	88,233	96,383	78,910	260,795
Pendleton	15,000	33,000	51,600	99,600	242,825	135,100
Portland	2,281,200	630,070	621,950	3,536,220	3,829,120	8,976,405
Roseburg	61,500	21,500	11,775	124,775	113,000	60,105
Salem	313,910	11,550	85,288	410,778	479,921	570,960
Springfield	78,500	.....	54,036	132,536	396,280	190,315
21 other communities	264,412	191,755	122,290	578,457	1,017,810	669,635
Total	$3,602,646	$1,499,130	$1,365,466	$6,467,542	$7,389,922	$11,352,660